

**Child Support Enforcement  
Task Force  
May 25, 2006**

**Members present:** Mike Schwindt, James Fleming, Keith Berger, Vince Gillette, Wendy Jacobson, Joe Belford, Darrell Vanyo, Bernice Delorme, Brad Davis, John Waller, Lisa Kemmet, Terry Traynor, Rep. William Devlin, Sally Holewa, and Dan Richter.

**Also present:** Paul Kramer and Tove Mandigo.

**Members absent:** Scott Griffeth, Sen. Tom Fischer, Bob Freed, and Ron Anderson.

Schwindt offered congratulations to Waller on his new job as administrator of the Fargo regional child support enforcement office.

Schwindt also mentioned those that will be absent today, including Griffeth, Sen. Fischer, and Freed. Schwindt noted that due to changes in the court, Freed may not be back as a member of the Task Force.

Schwindt distributed a packet of material that included an agenda along with other information. The agenda in the packet had a few changes to the agenda that had previously been sent. He asked if any member had recommendations for any change to the agenda. No changes were noted.

**Approval of Minutes** Schwindt asked if there were any changes to the minutes of the February 23, 2006, meeting (previously emailed and also available on the Web site), apart from recording Griffeth as both present and absent? Hearing none, the minutes were approved.

**Incentive Distribution rules** Fleming provided an update on the status of the proposed incentive distribution rules. He said the hearing of the Administrative Rules Committee on the rules is scheduled for June 13, 2006, at 1:30. He noted that a letter to the Rules Administrator dated February 24, 2006, was part of the packet of material and contained comments on the proposed rules. This letter was from Fleming on behalf of the state child support enforcement office. He reminded members that this Task Force had met the day before the public hearing on the proposed rules and several comments received from that meeting were incorporated into these comments.

He then briefly reviewed the comments found within the letter. Comments made in the February 24, 2006, letter included the following. It was recommended that the meaning of "level of service" be clarified and suggested language was provided. It was recommended that the word "may" in subsection 5 be replaced with "shall" as "may" does not reflect the Department of Human Services' (DHS') intent of having to choose between distributing the withheld funds to other regional offices or distributing the withheld funds to the affected regional office once it complies with DHS' directive. (The

use of the word “may” implies a third alternative, which was not intended.) It was recommended that subsection 5 also be clarified to indicate that a regional office will be given time to address any inconsistencies before any incentives that have been withheld will be distributed to other regional offices; and suggested language was provided. It was recommended that subsection 6 be removed because the subsection, intended to promote adequate funding of centralized or specialized services, is not necessary given the existing statutory authority of DHS under N.D.C.C. § 50-09-34.

Fleming said the next document is the “current” proposed rule and reflects inclusion of the DHS comments and some comments from others.

In response to a question from Traynor regarding if there were any significant unresolved issues, Fleming said there were some comments that did not lead to changes. He said there still is a desire by some to be more narrow on the term “inconsistency.” That wasn’t done in the proposed rule because, in an administrative rule, one doesn’t want to be that specific. He said that as far as more specific issues, he didn’t have the response to comments with him at this time.

**Centralized projects** Fleming said there have been two proposals selected for centralized projects. For Asset Seizure, the winning proposal was from the Dickinson regional office. For Outgoing Interstate, the winning proposal was from the Grand Forks regional office.

An interagency cooperative agreement has been drafted by DHS for the centralized projects. The agreement, a copy of which is in the packet of material, was first provided to the host counties then, later, to all of the regional offices. About this same time, Carol Olson sent out a memo dated May 1, 2006, a copy of which is in the packet of material, to County Social Service Board Directors. Following that memo, a letter (dated May 16, 2006) was sent to Carol Olson, from Larry Bernhardt, President of the N.D. Association of County Social Service Directors. This letter was briefly reviewed.

There has not yet been consensus or resolution at this time as to what will be happening on the projects. The two projects are still in the pending status.

In response to a question from Berger about the timeline to get this completed, Fleming said some of the points have to do with how the contract is drafted and he hopes those points can be resolved by the end of next week. Regarding the broader issues, Fleming said he didn’t know what the timeline for those is. He said comments were due from the regional office administrators last week. Berger said that, for budget purposes, this needs to be wrapped up. Fleming said he thought that a spreadsheet was handed out at the meeting with the counties. In response to a question from Belford as to whether Coby Barstad was involved, Fleming said Barstad was sent an email.

In response to a question from Holewa, Fleming said the projects are for work currently being done by the regional offices. The funding can be through reorganization or

through new money; DHS didn't say it needed to be done one way or the other. He also briefly reviewed what 2005 SB 2301 provided for on this subject. He said there are still disagreements about funding, if it means more money being expended. Richter said issues include that the total costs (as provided in Attachment A of the draft agreement) of the two projects would require more funds than is available in the 2006 county budgets (counties had set aside 5% of estimated incentives for these projects). Therefore, there would be a need to go back to county commissions for additional approval. He said there were also concerns about who had the authority to authorize the expenditures for these projects, especially if costs exceeded what was budgeted.

Fleming said some look at this as new money rather than moving money around. He said this is not additional federal money funneling through DHS. He referred members to a spreadsheet in the packet of material (Centralization Project Cost Comparison – Combined). He said this handout may be helpful. He then briefly reviewed the handout. He said regarding differences between incentive set-aside versus estimated costs, some larger regional offices will have larger differences while smaller regional offices will have smaller differences. In response to a question from Davis, Fleming said this assumes a July 1, 2006, start-up date. Fleming also reviewed the information on the back of the handout, which further breaks out the estimated county expenditures, and state match. He said, then, that the county cost is at 34%, to do what they are responsible to do today.

Vanyo said there are issues in addition to the situation of unbudgeted 2006 dollars. Pushing forward with the July 1, 2006, start-up date, in order for counties to realize the additional dollars to offset expenditures, there would have to be a reduction in work force rather than being done through attrition. Fleming said there is expected to be county budget roll-up money (money budgeted but not spent) that could be used. He said the issue also assumes this would need to be all new money, and he said that was not the case. He said some regional offices are looking at current vacant positions.

Vanyo said they are being told their regional office will be billed \$X by Grand Forks and Dickinson. He said there will need to be a reduction in costs to make the budget neutral. If there was more time, it could be done through attrition. If they have to do it effective July 1, 2006, they would have to look at letting staff go. Fleming said, for Fargo, the 18-month total is \$57,871; the 5% set-aside of incentives is \$6,915 (already earmarked for special projects); and the estimated 2006 costs are \$20,721. This leaves a "hole" (amount of costs higher than set-aside) of \$13,806. He said he would bet there is more than that in roll-up money. He repeated this is not just about new money. He added that this is the time when these budgets are being developed for 2007.

Richter commented that counties may or may not have unspent money, and that counties may or may not achieve efficiencies. For this year, will need to go to county commissioners for new money.

Kemmet said the letter to Carol Olson only talks about Asset Seizure and wondered about Outgoing Interstate. Fleming said the letter was based on only one project going forward. He said, however, that that does not necessarily mean anything has changed as the letter may not lead to a change. Schwindt said DHS needs to make a decision as to where this will go.

Jacobson said it appears we are stuck, and someone needs to be able to make a decision. There is not much time left to deal with budgets, although some counties have a bit more time leeway than others. Schwindt said it is hoped there will be an early answer so it can be included in the budget instructions.

Berger commented that the Task Force is also looked to for direction on the structure of the program and things are being held up until there are some answers.

Fleming said two additional areas are kept on the table for possible future specialization or centralization: locate and income withholding/National Medical Support Notice/Employer Relations. He said additional locate sources are being considered. He said these two areas are still in the discussion stage.

Delorme asked about whether the tribal area was being considered for specialization or centralization. Fleming said it had been on a list to discuss. There have since been changes, such as IV-D attorneys being licensed in tribal court, and now it is unsure which is the best way to go. May look at specialization in this area. May be able to do something with the four affected regions through cooperation.

Berger said there were some concerns that perhaps there should be more than the regional administrators signing the agreement.

Mandigo asked Davis if all of the expressed concerns of the counties would be addressed if DHS were to agree that only one project – Asset Seizure – would move forward. She said she thinks it is sad that we have SB 2301, and at this point, we can't get anywhere with it. She wondered if DHS makes a move to do what is in the letter from the N.D. Association of County Social Service Directors, will there just be another letter with a list of other concerns. She wondered if the change to the signatures was made, if counties would sign. Davis said, from the administrators' perspective, he feels that once a decision is made to do it, they will implement it as best as they can. Davis said he didn't know if all counties would sign if the changes were made.

Berger said, bottom line, there are too many chefs in the kitchen. Mandigo said there is a state law, and wondered what kind of force a memorandum of understanding would have. She said every line and every word is being looked at regarding intent. DHS is trying to figure out how to get to the intent of SB 2301. The state needs to meet the intent of SB 2301. It is preferred that it is done in a cooperative manner.

Other discussion followed.

Richter said he would be supportive if it was changed so only one project is pursued at this time. He said they need to be accountable with county commissioners. He said at this point it is unknown whether the efficiencies can be met. He said it would be helpful if the state would ease the counties into this a bit.

Fleming wondered if there would be only one project at this time – which project it should be. He said we shouldn't just look at the one that costs the least. We should look at the one that has the chance to lead to the most efficiencies and he believes that would be the Outgoing Interstate project.

Davis said, having heard an earlier comment from Holewa about having proposals accepted and now funding is being raised as an issue, he thinks funding should have been assured before the process proceeded. Fleming said he didn't necessarily agree. He said the evaluation criteria included how the funding would be put together. He likened it to a private business coming into a county commission with a proposal – they would be asked what kind of package they could put together.

Davis said some of that information was left out of Dickinson's proposal as they felt it was beyond the scope. Fleming said that perhaps the region should have involved fiscal staff. He said it was not beyond the scope of the proposal – it was included in the Request for Proposal (RFP).

Kemmet commented that she does all of this work in her job and she thinks there would be more bang for the buck with Outgoing Interstate. She said changes have been made to the asset seizure processes that have made these actions easier.

Belford commented about the importance of getting this moving along quickly.

**Staff/PIQ study** Fleming briefly reviewed the current status of the staff/PIQ study. Job descriptions from all state and regional offices have been received. Now, there is the need to try to align “apples to apples” among the positions. This effort is underway. It is a long process and the stack of job descriptions is intimidating, but progress is being made and aligning them is almost complete. Will be having Human Resources look at salaries for each position to see if they are all within range. This will happen after the cooperative agreements get nailed down.

Traynor asked if it was anticipated that there would need to be a reclassification of any positions, if state administration were to occur. Fleming said he hopes that if the study shows that reclassification is appropriate, that would be underway before state administration would even be proposed. Then, if there would be state administration, that would not be one of the issues that would need to be dealt with.

**Section 1115 Demonstration Project application** Schwindt said that one of the provisions of SB 2301 was the automatic set-aside of 5% of incentives into an improvement fund. The federal government periodically offers grant money. In the

past, however, one of the things we have run into is our inability to apply for grants because of the state matching requirements. Now, with the improvement fund, there will be more options. Each year the feds offer grant money which is tied to identified general principles. This year there are a total of six categories, with three in each category. He said the state office, this week, submitted an application for a Section 1115 Demonstration Project which involves collaboration with child welfare. An excerpt from the application is in the packet of materials. Schwindt said he is excited about this and believes this could be key in improving how we deal with Foster Care. A lot of things could be done including receiving proper referrals and creating an automated interface. Everyone would benefit including County Social Service Boards, regional offices, and the state office. Schwindt said that for a total funding of \$258,621, only \$12,931 would be state match. He talked a bit about the fact there may be a pilot regional office prior to full roll-out and the "odds" of the application being accepted. He said Policy Studies Inc. (PSI) did the bulk of the leg work on the application.

In response to a question from Richter, Schwindt said he expects it would be effective October 1, 2006. He said the state was not looking to the counties for any of the funding with this; the funding would be from DHS. It may, however, involve some work on the part of the regional offices (but no actual funding).

**Subcommittee on Program Structure** Schwindt said the Task Force Subcommittee on Program Structure met on March 23, 2006. He said Task Force members have had the chance to review the minutes from that meeting. He reported it was a hard and long day. Information had also been sent out regarding work done after the Subcommittee meeting. At that meeting, there had been a recommendation that Schwindt and Traynor come up with some options as well as a transition plan for a state administration option. Schwindt asked Traynor to review the material.

Traynor said he and Schwindt worked to refine the comments and discussion of the Subcommittee. They determined they must document the goals for a structural change, or no change, and attempt to define the measures that could be used to assess the likelihood of each structure achieving those goals. They also determined they must identify the elements of several structures and analyze the elements in relationship to the measures.

The first step was to come up with five "overall" goals they believed may be most critical. For each goal, outcome measures were then identified.

- Goal: Increase performance - more dollars collected for children with the same or less State/County investment.
  - Performance measures: Federal performance measure improvements in excess of current trends (particularly cost-effectiveness).
- Goal: Service level/quality maintained or improved - Obligor, obligees, employers, stakeholders, etc. receive the same or enhanced customer service.
  - Performance measures: Customer complaints reduced, improvement in results of customer service surveys.

- Goal: Current staff treated fairly and equitably.
  - Performance measures: No reductions in force (RIFs), demotions, forced relocations or other adverse employment actions and salaries and fringe benefits are maintained and equitably adjusted.
- Goal: Reduced (and more equitable) burden on property taxes.
  - Performance measures: Reduction in mills levied for every county and more equality in mills.
- Goal: Unity of Purpose/Common Goals.
  - Performance measures: Improved organization of efforts and increased responsiveness to change, including enhancements to the automated system.

Traynor said he believes everyone involved wants to do what is best for staff and for children. However, there are so many viewpoints, it has been difficult to move ahead. We haven't been able to move in any direction very quickly and we need to look at how we can do that.

Following the identification of the goals and outcome measures, three possible structures were identified and described by outlining the major elements of each. These elements were then preliminarily assessed against four goals. Handouts included three tables which were the result of those assessments. Traynor said the three structures were not an exhaustive list of options and some may be improved by borrowing elements from the others. This should be looked at as a framework for the Task Force from which to work, that can hopefully lead to a recommendation from the Task Force.

The three options are: Option X (state administration – original SB 2301 with enhanced employee protections); Option Y (direct host county (commission) administration – funding limits for all 53 counties); and Option Z (status quo – no statutory changes possible renegotiation of regional and state agreements).

Option Y is a hybrid of sorts. It would keep the program county-administered, but would make a more direct relationship between county commissions and the regional offices. Traynor mentioned again that elements can be borrowed from one to another; he said he hoped this may get the Task Force on a path of analyzing the move in each direction.

Schwindt thanked Traynor for his work on this and suggested Traynor take one option and walk through it. Traynor did so for Option X.

An Excel spreadsheet regarding property taxes was reviewed. Under Option Y, an element would be to statutorily require an equal (in mills) distribution of the costs to all counties within the region – not to exceed levy limit. Costs over the limit would become state responsibility. This could either increase or decrease property taxes, depending upon the county. The cap would limit exposure, and a degree of equity would be created among taxpayers of the region, but variations region to region would remain.

The spreadsheet provides, for each county, the 2005 value of one mill; the value of two mills; the adjustment needed to get to \$5.3 million; the 2006 regional office child support budgets, and the increase or decrease for each county. Schwindt briefly reviewed the information, and what the impact would be on individual counties. For example, as far as decreases, Williams would save the most (decrease of \$172,156) and McKenzie would save the least (decrease of \$7,066). As far as increases, Cavalier would pay the most (increase of \$53,431) and Golden Valley would pay the least (increase of \$4,996).

Discussion then returned to Option X. The regional office staff would become state staff. The regional administrators would report directly to the IV-D Director. The county funding of the program would gradually be reduced to 40% or 0%, depending on the version. Berger said he thinks the county share should go to 0%, or else administration should be left with the county. Belford concurred. Waller wondered if we can realistically get there. Rep. Devlin thought it should be doable. Belford said the goal has to be 0%, and to get there as quickly as possible.

Belford said he doesn't usually advocate for state control, but does for the Child Support Enforcement program, because it is complex and time-consuming; he thinks it can be done much more efficiently at the state level.

Jacobson said she has a question regarding Option Y, as to whether removal of County Social Service Board responsibilities with the program would erode linkages between the program and social services. She wondered if there were those issues now with the regional offices that were administered by State's Attorneys' offices.

There was some discussion about the linkages among the various programs such as Child Support Enforcement, TANF, Medicaid, and Child Welfare. Schwindt said the feds are recognizing the importance of collaboration among the programs with customers in common. He also mentioned that a medical support federal performance measure will be added soon. Currently, relationships among the programs varies from region to region, or county to county. Berger said he sees an advantage to getting cooperation if it is run out of the state office to develop those relationships. Schwindt gave an example of the Parental Employment Pilot Project (PEPP) in Dickinson and now also in Grand Forks. The information on those projects so far has been positive. It includes people from Child Support Enforcement, TANF, Job Service North Dakota, and the courts. Mandigo mentioned that Carol Olson has a cabinet now and that will help move to more cohesiveness among programs. We need to be able to work more cohesively to do work what is best for kids. Another great benefit is the ability to bring in the regional child support people at a table together. With Child Support Enforcement, DHS currently goes to the County Social Service Directors meetings. DHS wants to work directly with those at the local levels. Belford said he feels the Devils Lake regional office runs more smoothly since the County Social Service Director was removed from the mix.



Vanyo said he would like to go back to the discussion on funding. He said he is supportive of moving to 0% county funding. However, he said he still doesn't necessarily think that something magically will change because the program becomes state-administrated. He suggested looking at Option Y to take a step to remove a level. He also mentioned that the program is just getting centralized projects underway and feels those should first be given a chance to work.

Traynor continued by reviewing Option Y. This option would strengthen the role of the host county commissions. Regional administrators would report directly to host county commissions. This option is not a state-administration option, but would shorten the chain of command. An advantage would be that it should lead to the ability to implement change a lot more quickly. Eight regional offices would be maintained. Staff would remain employees of host counties. Quality of services shouldn't change. A special revenue fund so funds can be clearly separated out may be a good idea regardless of the direction the group ends up going. Traynor explained the fiscal part of this option including the fact that it would probably not have much effect on Indian counties. Also, state would pick up any costs over the mill levy limit. He mentioned constitutional issues with a statewide mill levy. He said another element of option Y would be the need for new, and possibly stronger, Memorandums of Understanding (MOUs) between the state and host counties. Would not have the situation like the current one in which there is a need to have everyone buy in to special projects. Traynor said this Option is moving "part of the way" and there are some real positives. A negative is dealing with the funding, but there may be other ways to deal with distribution of costs. There is a stronger role for host counties, but keeping outlying counties financially responsible may cause strain. Perhaps there could be a board with representation from all of the counties within the region. This would lengthen the chain of command, but may make it more palatable.

In response to a question from Holewa, Traynor said Option Y would not bring the county share to 0%. Holewa said that generally children are considered to be the responsibility of the county in which they reside. Traynor said - from a philosophical standpoint - with Option Y, if the staff would be employees of the county, why would the legislature want to pay them out of state funds? Similarly, with Option X, if the staff would be employees of the state, why would the counties want to pay them out of county funds?

In response to a question from Richter, Traynor said under Option Y and with the implementation of SB 2301, the state would still have to go to the eight regions to get agreement. In response to a question from Holewa about whether there wouldn't be issues regarding the host counties spending more money, Belford said in Ramsey, they are the host county and they up-front the costs.

Belford said he can see a state-supported program may run more efficiently. Centralization is one step. Perhaps there are more areas that can be centralized and would only have to answer to one boss. Waller said he thinks we are learning from

these first projects and wondered what the reason would be to bypass this initial step. He said, in Devils Lake, the change in who the administrator reports to hasn't had any effect. He believes the program should take incremental steps and learn as we go.

Berger pointed out there are so many differences among the counties. He said some just can't handle a bigger bill and have their backs against the wall.

In response to a question from Davis, Traynor explained the mill levy issues a bit more. Everyone would levy an equal share within their region, but the flaw is that would really shift funding dramatically. In response to a question from Davis, Traynor said that Option Y could happen with the traditional funding. He said his perception is that Option Y may be a difficult sell to non-host counties. They would be losing what little power they have now, but concerns perhaps may be addressed if there are protections in place that costs will be contained. Rep. Devlin agreed there may be issues particularly if there is more money and less control.

Option Z was then discussed. This looks at the current structure along with renegotiation of state/county agreements. Traynor reviewed the information on this option. Renegotiation of the agreements could allocate costs differently. Greater authority for the state to direct may improve efficiency. May be hard to sell, however, unless it means less county money and more state money.

Schwindt wondered what language can be stronger than that in SB 2301 – and still can't get projects out the door. Traynor said perhaps the key is the regional MOUs could have the individual counties relinquishing some authority to the host counties. There is perhaps where you may see some change. He said he doesn't know the response counties would have if they had the same share of costs.

Holewa asked what is feared most if the program would become state-administered? Waller said there is some concern about retaining the staff in the office now. He noted this was less of a concern at the present time as there have been a number of recent resignations in the Devils Lake office. He said there is also a concern that there wasn't a real appreciation for the caseworkers' familiarity with their cases; that that is not adequately reflected in some of these discussions. Belford said SB 2301, as a state-administration bill, had staff protections built in. He noted that Ramsey is not going to increase taxes, even with the current structure. Fleming asked Waller if there are staff concerns even with the merit system protections. Waller said there were some concerns with the possibility of having to relocate or having to do different work. There is a level of uncertainty. The program is number three in the nation; if it is not broke why fix it? He said he hears that a lot. Davis said there are concerns. For the most part, what the regions do is good. Our state is one of the better ones. He said the regions agree there can be room for improvement, but they don't understand why there needs to be such radical changes. He believes there can be small things done under the current structure. He said there is a need to improve the computer system. Davis said he can understand Schwindt's frustrations. The program is Schwindt's

responsibility and he wants to move forward with his plans, and he needs to be able to do that to fulfill his obligations.

Vanyo said if the program wasn't seeing improvement in the performance measures, or was in the bottom half of a measurement, he would say that something else should be looked at. But that is not where the program is at. He also wondered if whether a county holds the line on property taxes that then means one turns to the state for funding. Why do we care about property taxes, but not state taxes? He mentioned the management reports that the regional offices have said they needed and haven't received. He said he has fears of where we will end up because this is a major change. He doesn't feel he has the information he needs to support a major change.

Kemmet said she still wasn't understanding how things would be better under state administration. Waller wondered what the ranking really meant. Schwindt said if we are willing to settle for mediocrity – there is nothing to worry about. While we are one of the better performing states, we are a long ways from a fully performing state, delivering services the children and taxpayers should expect. If we want to run more efficiently and use the resources we have in the best way – we have a ways to go. Mandigo pointed out that when we talk about education, North Dakota ranks in the top five on almost every poll. However, if one looks at the actual test scores, she doesn't think anyone would really be happy with what they are showing. Mandigo said she gets a sense that some people think DHS is just itching to take over the program. What would be in it for DHS? Currently, fiscally, the counties are paying a lot of money that the state would need to pick up. There is a need to be looking at what is best for the children.

Vanyo said there is proof that there have been improvements in the last five years.

Berger said he thinks the program can be more efficient. He said there is a need for cooperation. There is a need for a plan and then a need to follow the plan. There are counties that are saying nothing can be added to the budget. He said he doesn't know how to resolve that. Waller said he thinks this really comes down to the funding, not necessarily what is best for the kids. Jacobson disagreed. Traynor said it has been difficult to move ahead because it involves money, and involves a process that has to filter through so many different layers.

Delorme said she doesn't think a cost analysis exists and thought it would come out of the Subcommittee meeting. She said she thinks that piece is still missing. She also wondered how this is going to affect Tribes. She said she doesn't see Tribes addressed anywhere; even in the goal statements, Tribes are not addressed. She gave an example of child protective services. The Tribe contracted with the state to do those services. She said the same thing could be done with this program. She said she has yet to hear that Rollette County has come to the Tribe to see what can be done in terms of these options. She said, in relation to staff worrying about their jobs, she asked that people remember this is about the provision of services to the kids. She said the staff

who really want to provide the services will be around. Sometimes staff need to be reminded of the goals. She also said decentralizing allows for inconsistencies. Relationships are built one-on-one, and we need to start building those relationships.

Davis said he thinks they have tried to not make it a fiscal issue. He said they are concerned about the wishes of the county and the integrity of the program, but that they need to ensure staff are protected. He said he felt the assurances put in SB 2301 were excellent.

Schwindt asked the group to look at the Excel handout which shows actual and projected performance measure information. The "actual" numbers for North Dakota come right off the OCSE-157 reporting form. The handout also includes the numbers for the top performer in the country, the top three in the country, the top five in the country, and the national average. The handout also includes what the numbers would have been if there had been a 2% increase in performance with the same caseload. With a target of 80% for current support, which is what is needed to get the full 100% of incentives for that measure, one can see what was "lost" in 2003, 2004, 2005, and projected on out. There is also information relating to cost avoidance, as other programs come into play. He repeated that if we are satisfied with mediocrity – we are there.

In response to a comment from Waller, Schwindt asked how many hours have been spent over the last four years to get one centralized project underway. He said peer reviews were another area that hasn't been used enough. Waller said he thinks one can have those things without state administration. Schwindt said it doesn't require state administration, but rather, it is the way people work together. He referred to top-performing Pennsylvania which has a state/county structure. He said there could be other things that could be done to increase cooperation short of state administration, like the collaboration tools, one of the ways Pennsylvania did make some progress. County commissioners, social service directors, county auditors – everyone has a vested interest. Difficult to shorten it up.

Berger said, bottom line, it is a financial issue. If don't go to state administration, how are counties going to fund the program? There are limited resources.

Rep. Devlin said he has county commission and social service board experience, so he has the background. He thinks they would have probably gone to state administration when DHS went to SWAP. He said he thinks state government should pay for this program. He said we have to provide these services to the citizens of North Dakota, and they have the right to the best in the nation. In response to a question from Davis, Rep. Devlin said that it is a real possibility in the coming legislative session, unless the initiated measures pass and all funding is lost.

A motion was made (Belford) and seconded (Gillette) for the Task Force to support and recommend Option X – state administration - with 0% county funding. Schwindt called for the vote – motion passed (12 yeas, 2 nays, 5 absent and not voting).

**Next meeting** Schwindt said the next meeting will deal with bill drafts for state administration with 100% state funding. The meeting was tentatively scheduled for Thursday, August 24, time and location to be determined.